

PERCEPTION OF YOUNGSTERS REGARDING GOVERNMENT INITIATIVES TO PROMOTE ENTREPRENEURIAL TALENT

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Abstract: The economic development of nations is directly linked to the entrepreneurial development activities – i.e. entrepreneurial enabling environment, lenient regulations, stable political environment, provision of social grants and financial support, in any country. In the Indian context too, over the last few years, the Central government has envisaged to address the problems faced by the young entrepreneurial Indians whose risk taking capacity is unparalleled across the globe. A plethora of schemes have been doled out in this context to meet the varied requirements of the young entrepreneurs. The present paper is an attempt to study the awareness levels and perception of youngsters regarding the effectiveness of these schemes to meet out the desired objectives of promoting entrepreneurial talent in the country. A well-designed structured questionnaire was circulated among 200 youngsters in the age group of 20-35 years and their responses have been evaluated using appropriate statistical tools.

Keywords: Economic development, entrepreneurship, government policies, social grants, seed funding

INTRODUCTION

As per the 2018 reports, India is a country with approximately 1.36 billion people and almost 35% of this population is between 15-35 years of age. This young lot is on the lookout for jobs or business opportunities to establish their careers. At this juncture, the role of the government becomes imperative. By its regulations, it can build an attractive and easier climate for business enterprises on the one hand, while on the other hand the state can be a major inhibiting factor for the establishment and development of entrepreneurs. Government policy for entrepreneurial development would mean charting a path for regulating and improving the environment for entrepreneurship in terms of supporting regulations, working out funding policies and making a favourable environment for the entrepreneurs. The Central governments in India have over the years tried to address the problems faced by the young Entrepreneurial Indians, whose risk taking capacity is unparalleled across the globe.

Initiatives taken by the Govt to promote Innovation and Entrepreneurship

The Government of India during the last five years has undertaken the following initiatives to promote a culture of innovation and entrepreneurship in the country by engaging academia, industry, investors, NGO's etc in bringing about the desired change. A gist of these schemes is as under:

Start-up India: Start-up India is the flagship initiative of the GOI launched in Jan 2016. With a 360 degree approach to enable start-ups, the initiative provides an all-inclusive learning program under which, incubators, research parks and start-up centres have been established across the country by creating a strong network of academia and industry bodies. Also, a 'fund of funds' has been formed to help start-ups gain access to funding, compliance norms have been made easy, procurement norms are relaxed and tax benefits have been assured to the budding entrepreneurs.

Make In India: With an aim to transform India into a global design and manufacturing hub, the

Make in India initiative was launched in Sept.2014 to revamp outdated processes and policies, and centralize information about opportunities in India's manufacturing sector. This initiative has ensured the replacement of outdated and disruptive frameworks with user-friendly systems alongwith giving an invitation to potential partners and investors around the world.

Atal Innovation Mission: It is the government of India's effort to promote a culture of innovation and entrepreneurship. It provides a policy for promotion of world-class innovation hubs, start-up businesses and other self-employment activities, particularly in technology driven areas. Also, in order to encourage curiosity, creativity and imagination right at the school level, Atal Tinkering Labs have been setup in schools across India to help students gain hands on training in the areas of science, technology, engineering and maths.

Support to training and employment Programme for Women (STEP): STEP, which has been the pet project of the Ministry of women and child development for the last 30 years has been redrafted to meet the present day need and provides skills in agriculture, horticulture, food processing, handlooms, hospitality, computer and IT services to women above 16 years of age, in order to make them self-reliant and independent.

Jan-Dhan- Adhaar-Mobile (JAM): JAM, is a technological intervention that enables direct transfer of subsidies and financial benefits to intended beneficiaries and therefore removes all intermediaries and leakages in the system. Besides serving as a check on corruption, JAM makes sure that all underserved regions have their accounts .

Stand-up India : Launched in 2015. Stand-up India seeks to reach out the benefit of institutional credit to India's underprivileged by providing incentives to SC's, ST's and women entrepreneurs alongwith providing information on finance and credit guarantee schemes to the small entrepreneurs.

Trade Related Entrepreneurship Assistance Development (TREAD) : This scheme envisages to address the issue of credit availability to the interested women through NGO's to kick-start proposed enterprises.

Pradhan Mantri Kaushal Vikas Yojna (PMKVY): This is a skill certification initiative that aims to train youth in industry-related skills to augment opportunities for livelihood creation and employability. Also, the learned skills are assessed and certifications are issued by the government free of cost.

National Skill Development Mission: Launched in July 2015, the project aims to build synergies across sectors and states in skilled industries. With a vision to build skilled India, it comprises of (i) Institutional Training (ii) Infrastructure (iii) Convergence (iv) Trainers (v) Overseas Employment (vi) Sustainable Livelihood (vii) Leveraging Public Infrastructure

REVIEW OF LITERATURE

Developing countries need entrepreneurial enabling environment and lenient regulations to stimulate new business development, thereby ultimately creating new employment opportunities (Kroon, 2002; Ambrish, 2014). The role of government in entrepreneurship development includes ensuring a stable political environment, policy implementation, good governance, support and assistance with creation of employment as well as provision of social grants and financial support (Meyer, 2013). Another important area where government can play a pivotal role is skill development and training (Philips, Moos and Nieman, 2014).

The central government, during the last five years has tried to address the problems faced by the young, entrepreneurial Indians by providing an action plan comprising of tax sops, ease of doing business, innovation to help entrepreneurs to start up and grow their business, facilitating access to services, reducing bureaucratic obstruction etc.(Forbes India, Jan 2016). The indomitable spirit of the young Indians, full of vigour and energy, is seeing an inspiring transformation unfold in their own country (Badra and Sharma, 2016).

But inspite of several initiatives taken by the government, entrepreneurs still need to struggle with factors like lack of awareness about entrepreneurship schemes and regulatory framework, availability of finance, technical knowledge, managerial skills etc. (Jindal, Bhardwaj, 2016). 26% of the trainees of EDP's actually start their own enterprise after getting the training and about 15% of the trainees get blocked in various stages in setting up the enterprise due to one reason or the other (Maggo, 2017)

OBJECTIVES OF THE STUDY

1. To study the awareness level amongst youngsters regarding the entrepreneurship initiatives of the govt
2. To determine the attitude of the youngsters towards the role of government in entrepreneurship development.
3. To study the problems still being faced by the young entrepreneurs

HYPOTHESIS OF THE STUDY

1. H0 : There is relationship between age and awareness level of the respondents
2. H0 : There is relationship between educational qualification and awareness level of the respondents
3. H0 : Respondents perceive the schemes to be ineffective in all aspects

4. H0: There are no problems to the respondents with these new schemes

RESEARCH METHODOLOGY

Keeping in view the objectives of the study, a questionnaire was designed after going through the literature related to the various schemes of the present Central Government and the measures to be used to study their effectiveness. The questionnaire was administered to 200 respondents from Ludhiana city falling in the age group of 20-35 years to study their perception regarding the various schemes. Appropriate statistical techniques have been used to draw conclusions.

FINDINGS OF THE STUDY

The questionnaire was got filled from the 200 young respondents – both male and female from Ludhiana city. The data collected has been categorised and analysed as under:

Socio-Economic Profile of respondents

Table 1 Socio- Economic Profile of the Respondents

	Male		Female	
	No	%	No	%
Age :				
20-25	24	12%	30	15%
25-30	56	28%	40	20%
30-35	20	10%	30	15%
Education:				
Diploma	20	10%	15	05%
10+2	28	14%	25	12.5%
Undergraduate	22	11%	20	10%
Graduate	20	10%	25	12.5%
Post Graduate	10	05%	15	7.5%
Family Background:				
Retailers/ Shopkeepers	20	10%	19	9.5%
Small Business	42	21%	38	19%
Medium Business	20	10%	20	10%
Large Business	03	1.5%	01	0.5%
Service	15	7.5%	22	11%
Income :				
Upto 5 Lakhs pa	67	33.5%	76	38%
5-10 Lakhs pa	23	11.5%	19	9.5%
10-15 Lakhs pa	10	05%	05	2.5%

Table no 1 above shows the demographic profile of the respondents. 50 percent of the respondents are males and 50 percent of the respondents are females. Among the males, majority are 10+ 2 followed by the

undergraduates while in case of the female respondents, majority are graduates and 10+ 2. According to the income classification, majority of the respondents have income up to ₹ 5 Lakhs per annum.

Level of Awareness among the respondents

Table no 2 below shows the relationship between age of the respondents and awareness level using the chi-square

Table 2 Relationship between Age and Awareness

Age	Aware	Not Aware	Total
20-25	32	22	54
25-30	66	30	96
30-35	25	25	50
Total	123	77	200
d.f. = 2 p = 0.05 $\chi^2 = 5.03$ t.v = 5.991			

At 5 % level of significance, we find that there is association between the age of the respondents and their awareness regarding the various new entrepreneurship schemes launched by the current government. Hence, the null hypothesis is accepted. Respondents between the age group of 20-30 years are more aware than those between 30-35 years, thereby signifying that age has no relationship with awareness.

Table no 3 below lists the relationship between the qualification level of the respondents and their awareness levels regarding the new schemes using the chi-square.

Table 3 Relationship between Qualification and Awareness

Qualification	Aware	Not Aware	Total
Diploma	18	17	35
10+2	31	22	53
Undergraduate	25	17	42
Graduate	28	17	45
Post Graduate	20	05	25
Total	122	78	200
d.f. = 4 p = 0.05 $\chi^2 = 5.33$ t.v = 9.488			

At 5 % level of significance, we find that there is association between the educational qualification of the respondents and their awareness regarding the various new entrepreneurship schemes launched by the current government. Hence, the null hypothesis is accepted. Respondents who are graduates and undergraduates are more aware than those who are postgraduates, thereby signifying that educational qualification has no relationship with awareness.

PERCEPTION OF RESPONDENTS

To study the perception of the respondents regarding these schemes, they were asked to give their responses for the various factors on the parameter of “strongly agree”, “agree”, “neutral”, “disagree” and “strongly disagree”. The responses are as under:

Table 4 Perception of Respondents Regarding Schemes

S.No	Factor	Male		Female		F-Ratio
		Mean	S.D.	Mean	S.D.	
1	Simplifying Legislation	3.08	1.26	2.82	0.84	2.16
2	Reducing Paper-work	3.10	1.37	3.06	0.85	1.41
3	Facilitating access to services	2.78	1.08	1.82	0.52	1.38
4	Reducing Bureaucratic obstruction	2.77	0.84	1.59	0.68	1.74
5	Abuse of office is reduced (corruption etc)	2.26	0.68	2.11	0.45	1.47
6	Tax exemption has improved	3.46	0.78	3.31	0.63	3.24*
7	Seed funding has improved	3.70	0.48	3.96	0.60	3.32*
8	Ease in Patent filing	3.16	1.07	2.87	0.84	1.56
9	Ease in bank finance	3.56	0.85	3.88	1.21	2.99
10	Employment generation	3.23	0.99	3.68	0.75	3.12*
11	Skill Development and Training for youngsters	3.68	0.75	3.46	0.78	3.24*
12	Promoting Innovation	3.42	0.48	3.23	1.06	3.18*
13	Easy to exit business	2.37	0.79	2.42	0.45	1.64

The respondents strongly agree that with these new schemes launched by the govt., “Seed funding has improved”(mean 3.32), “tax exemption has improved” and there are avenues for “skill Development and Training for youngsters” (mean 3.32). However, they disagree on the factors that the new schemes have been effective in “facilitating access to services” (mean 1.38), “reduction in paper – work” (mean 1.41), and “abuse of office has reduced” (mean 1.47). Thus, we can say that the overall perception regarding the schemes is that

they have not been much effective in bringing about the desired change.

LIMITATIONS WITH THE SCHEMES

The respondents were further asked to rate their responses on the limitations that they find with the schemes which inhibit them from becoming entrepreneurs. The responses were noted on the parameter of “strongly agree”, “agree”, “neutral”, “disagree” and “strongly disagree”. The responses are as under:

Table 5 Problems with the Schemes

S.No	Hurdles/ Problems	Male		Female		F-Ratio
		Mean	S.D.	Mean	S.D	
1	Implementation of Schemes is Poor	3.70	0.48	3.68	0.75	3.32*
2	Bureaucratic Attitude	2.85	0.54	3.12	0.43	2.96
3	Lengthy Process	3.42	0.48	3.23	1.06	3.18*
4	Market Competition	2.37	0.79	2.42	0.45	1.64
5	Difficulty in Bank Finance	3.32	0.57	3.12	0.56	3.11*
6	Corruption at every level	3.70	0.48	3.96	0.60	3.32*
7	Limited Skill Development Centres	3.12	0.56	3.42	0.45	3.22*
8	Limited Traits Covered for skill development	2.22	0.45	2.89	0.67	2.42*
9	Poor Infrastructure	3.80	0.37	3.65	0.44	3.25*
10	Stringent Tax Regime	3.22	0.34	3.18	0.64	3.02*
11	There’s nothing new in the schemes	3.25	0.56	3.57	0.67	3.28*

The respondents strongly agree with the factors that “implementation of the schemes is poor”, “corruption is there at every level”(mean 3.32) there’s nothing new in the schemes (mean 3.28), and “infrastructure is poor” (mean 3.25) while they agree on the factors of “Limited Skill Development Centres” (mean 3.22), lengthy procedures , “difficulty in bank finance” (mean 3.11) and “bureaucratic attitude” in the offices (mean 3.11) . While they disagree with the factor that “market competition” is a limiting factor in stopping them from becoming entrepreneurs.

CONCLUSION AND RECOMMENDATIONS

As a result of failure to absorb job seekers in the public and private sectors, many government policies are aimed at supporting development of entrepreneurship and start-up businesses. The present Central government in

India has taken a number of initiatives to boost young generation to become independent young entrepreneurs rather than looking out for jobs. But the study reveals that although there is awareness among the youngsters regarding the various schemes, and they perceive that with the new schemes, “Seed funding and “tax exemption has improved” and there are avenues for “skill Development and Training for youngsters”. But still, the inherent problems are still there. The respondents feel that the “implementation of the schemes is poor”, “corruption is there at every level”, there’s nothing new in the schemes, and “infrastructure is poor”, procedures are lengthy and so on. Hence, there is a need for the government to take stringent actions and make these schemes more fruitful so that the young generation can benefit from these and contribute towards the economic development of the nation.

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